Liquidation of sick industries

1289. SHRI DIPANKAR MUKHERJEE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Jadavpur University has expressed interest in taking over M/s Smith Stanistreet Pharmaceutical Limited along with its assets and liabilities;

(b) if so, whether Government have examined their scheme which was proposed to be presented before his Ministry, if not, the reasons therefor;

(c) whether Government prefers liquidation of sick industries like Smith Stanistreet Pharmaceutical Limited rather than revival of the same without any loss to the exchequer; and

(d) if so, the reasons therefor?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) Yes, Sir.

(b) to (d) BIFR recommended winding up of Smith Stanistreet Pharmaceuticals Limited. At present, the company is closed and all the employees have been released under VSS. The matter is before the High Court for appointment of a Liquidator.

Revival of FACT

1290. SHRI N.K. PREMACHANDRAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether any package of revival of FACT has been pending with Government for implementation; and

(b) whether Government have taken any decision on the same and if so, the details thereof and if not,the reasons for the delay in implementing the comprehensive revival package?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) Yes, Sir.

(b) The following financial restructuring proposals of Fertilizers and

Chemicals Travancore Ltd. (FACT) have been submitted for consideration of the Board for Reconstruction of Public Sector Enterprises:

(i) Write off of interest of Rs. 34.80 crore along with interest accrued but not due of Rs.1.93 crore for the year 2003-04. Consequently any penal interest also to be written off.

(ii) Write off of interest for the year 2004-05 amounting to Rs. 46.26 crore along with any further penal interest.

(iii) Conversion of 50% of the outstanding GOI loan of Rs. 574.46 crore amounting to Rs.287.23 crore into equity capital and writing off the balance 50% GOI loan amounting to Rs.287.23 crore.

(iv) Entering into a tripartite Memorandum of Understanding between FACT, RCF and Department of Fertilizer for management contract as per directions of BRPSE.

Taking over of Hindustan Fertilizer Corporation

1291. SHRI CHITTABRATA MAJUMDAR:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Asansol Durgapur Development Authority in January, 2003 had offered to take over the township of Hindustan Fertilizer Corporation in Durgapur after the closure of Durgapur unit;

(b) if so, the status of the same and the reasons for the delay in taking a decision;

(c) how the maintenance of township and its allied infrastructure was being carried out during the last two and half years after closure; and

(d) whether these assets are being allowed to perish on its own or are being maintained or are being sold?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) Yes, Sir. The Asansol-Durgapur Development Authority (ADDA) had expressed their desire to take over the Durgapur township of Hindustan Fertilizer Corporation Ltd. (HFC).